

CHAPTER 369B

TAX INFORMATION EXCHANGE

**THE BAHAMAS AND THE UNITED STATES OF AMERICA
TAX INFORMATION EXCHANGE AGREEMENT
REGULATIONS**

ARRANGEMENT OF REGULATIONS

- 1 Citation
- 2 Interpretation
- 3 Application of these Regulations

PART I

OBTAINING INFORMATION BY EXAMINATION

- 4 Examination orders
- 5 Examiner
- 6 Attendance of, and production of documents by, witnesses
- 7 Examination of witness
- 8 Refusal of person to attend, be sworn, etc
- 9 Time and place for examination
- 10 Recording of proceedings
- 11 Legal representation
- 12 Objections to questions
- 13 Fees and expenses
- 14 Residuary power to regulate proceedings
- 15 Examiner's report

PART II

OBTAINING INFORMATION BY DOCUMENT

- 16 Authentication of documents

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AGREEMENT REGULATIONS**

SI 103/2004

(SECTION 13)

[Commencement 17th December, 2004]

1. These Regulations may be cited as The Bahamas and the United States of America Tax Information Exchange Agreement Regulations. Citation.
2. In these Regulations — Interpretation.
- “the Act” means The Bahamas and the United States of America Tax Information Exchange Agreement Act; Ch. 369B.
- “examination” means a hearing for the purpose of obtaining a deposition pursuant to section 10 (1) (a) of the Act;
- “the Minister” means the Minister of Finance;
- “serve” has the meaning assigned to it by section 8 of the Act;
- “the Court” means the Supreme Court.
3. These Regulations apply where the Minister intends to obtain information under section 10 of the Act. Application of these Regulations.

PART I

OBTAINING INFORMATION BY EXAMINATION

4. (1) Where an examination is to be held, the Minister shall make an order under this regulation (“an examination order”). Examination orders.
- (2) An examination order —

- (a) shall designate the person who is to conduct the examination (“the examiner”);
- (b) shall specify the person or persons who is or who are to make a deposition (“a witness or witnesses”);
- (c) shall describe, in such general or specific terms as the Minister deems fit, the information which is to be obtained in the form of a witness’s deposition;
- (d) shall require the examiner to send to the Minister as soon as may be a full report on the examination, when completed; and
- (e) may, in addition, contain such directions as the Minister deems it necessary or expedient for him to give so that the purposes of the examination may be fulfilled.

(3) An examination order affecting a prospective witness shall be served on him but otherwise shall not be published.

Examiner.

5. An examiner shall be a person considered by the Minister to be qualified and competent to conduct an examination.

Attendance of, and production of documents by, witnesses.

6. An examiner may by written notice require a witness to attend at an examination, and to produce any documents required from him in connection with the examination if it is in his possession, custody or control.

Examination of witness.

7. (1) An examiner may for the purposes of an examination take evidence from a witness upon oath and for that purpose may administer an oath or affirmation.

(2) An examiner shall not during the course of the examination, without the prior written approval of the Minister, permit any other person to question a witness or conduct the examination.

Refusal of person to attend, be sworn, etc.

8. (1) Subject to regulation 12 a person who, having been required under regulation 6 to attend at an examination, refuses or fails to attend or, having so attended, refuses or fails to be sworn, or to answer any question or produce any document that he is properly asked to answer or to produce, for the purpose of the examination, commits an offence and shall be liable on summary conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding six months or to both.

(2) Notwithstanding paragraph (1), an examiner may apply to the Court for an order requiring a person whom the Court finds to be in breach of that paragraph to attend before the examiner, or to be sworn, or to answer a question or produce a document for the purposes of the examination, as the case may be, and the Court may make an order accordingly.

(3) An order made under paragraph (2) may contain a direction that the person against whom the order is made shall pay any costs occasioned by his refusal or failure.

(4) A person who wilfully disobeys a direction given to him under paragraph (3) is guilty of contempt of court.

9. An examiner shall give to the Minister a notice appointing the place and time at which the examination shall take place, subject to any alteration that the examiner may make on the application of the Minister or any party, and the Minister shall notify all parties accordingly.

Time and place for examination.

10. Subject to any directions to the contrary in an examination order, an examiner may appoint a shorthand or verbatim reporter to record the proceedings at the examination.

Recording of proceedings.

11. A witness at an examination may at his own expense have legal representation at the examination.

Legal representation.

12. (1) If a person objects to being questioned, or to answering a particular question, at an examination, he may refuse to answer but shall state the grounds for his objection; and those grounds and any answer that he gives under objection shall be set out in his deposition or a statement annexed to it.

Objections to questions.

(2) If an examiner determines that it is desirable that an objection made under paragraph (1) should be overridden for the purposes of the examination, he may refer the objection to the Court under paragraph (2) of regulation 8, and the Court shall decide the issue.

(3) An examiner shall set forth in any reference that he makes to the Court under paragraph (2) his own opinion on the issue.

(4) If on a reference to the Court under paragraph (2) the Court decides the issue in favour of the person objecting, it shall order any answer that he may have given

under objection in the examination to be stricken from the record of the examination.

Fees and expenses.

13. (1) An examiner shall be paid such fees and expenses as the Minister may approve.

(2) A witness shall be paid such witness expenses as the examiner may order.

(3) A shorthand or verbatim reporter appointed under regulation 10 shall be paid such fees as the examiner may order.

(4) All fees and expenses payable under this regulation shall be paid by the Government of the United States.

Residuary power to regulate proceedings.

14. Subject to these Regulations, an examiner may regulate the proceedings at an examination as he sees fit.

Examiner's report.

15. (1) An examiner shall conduct his examination with all dispatch and shall, as soon as the examination is concluded, send to the Minister —

- (a) the deposition of every witness; and
- (b) the report called for by sub-paragraph (d) of paragraph (2) of regulation 4.

(2) The deposition referred to in paragraph (1), in relation to a witness, is the written record of the matters deposed to by him, including any document or exhibit forming part of those matters; and that record shall be authenticated —

- (a) by the witness himself (if he is willing to authenticate it); and
- (b) by the shorthand or verbatim reporter (if there was one); and
- (c) by the examiner, by being signed and dated by each of them in witness of its correctness.

PART II

OBTAINING INFORMATION BY DOCUMENT

Authentication of documents.

16. (1) Where information sought from a person in a notice served upon him under section 5 of the Act is in the form of an original document, or a copy of an original document, in his possession, custody or control, the Minister may include in the notice a requirement that he authenticate the document or copy by making a declaration

in the prescribed form set forth in the Schedule, or in a form as near to that form as the circumstances permit; and he shall comply with any such requirement. Schedule

(2) A document to which such a declaration relates must be exhibited to the declaration.

(3) Any person who wilfully makes a false declaration under this regulation commits an offence and is liable upon summary conviction to a fine not exceeding \$5,000.00 or to imprisonment for a term not exceeding six months or to both.

SCHEDULE (Regulation 16)**FORM A****DECLARATION OF AUTHENTICITY OF BUSINESS RECORDS**

I, _____ the _____ undersigned,
_____, with the
understanding that I am subject to criminal penalty for an
intentionally false declaration, declare that I am employed
by/associated with _____ in the position of
_____ and by reason of my position
am authorized and qualified to make this declaration.

I further declare that the documents attached hereto are
originals or true copies of records which:

1. were made at or near the time of the occurrence of the matters set forth therein, by (or from information transmitted by) a person with knowledge of those matters;
2. were kept in the course of regularly conducted business activity;
3. were made by the said business activity as a regular practice; and
4. if not original records, are duplicates of original records.

Date of execution: _____

Place of execution: _____

Signature: _____

**DECLARATION OF ABSENCE OF DOCUMENTS OF
A REGULARLY CONDUCTED BUSINESS**

1. I, the undersigned _____ attest on penalty of criminal punishment for false declaration that I am employed by _____ in the position of _____ and by reason of my position am authorized and qualified to make this declaration.

2. In my employment with the _____, I am
(Name of business)
familiar with the records it maintains. During the ordinary course of its regularly conducted activity, the _____
(Name of business)

maintains records of its transactions, which records are made at or near the time of the information reflected therein. These records are kept as a regular business practice of the _____.
(Name of business)

3. Among these are records of individuals and entities that conduct or have conducted transactions with the _____.
(Name of business)

4. I have reviewed these records and have found no record reflecting any activity with or involving any transaction that relates to the request contained in the Notice from the Minister of Finance dated _____.

Date of execution: _____

Place of execution: _____

Signature: _____

FORM B

**ATTESTATION OF AUTHENTICITY OF DOCUMENTS BY A
GOVERNMENT AGENCY**

I, _____, attest on penalty of criminal
(Name)

punishment for false declaration that my position with the Government of The
Bahamas is _____ and that in that position I am
(Official title)

authorized by the laws of The Bahamas to attest that the documents attached
hereto and described below are true copies of the original official records
which are recorded and filed in _____ which is an
(Name of Government Office or Agency)

office or agency of the Government of The Bahamas.

Description of Documents:

(Signature)

(Title)

(Date)

(Official Seal or Stamp)

**CERTIFICATION OF ABSENCE OR
NONEXISTENCE OF OFFICIAL RECORDS**

I, _____, attest on penalty of
(Name)

criminal punishment for false declaration:

1. _____ is a government
(Name of public authority)

office or agency of the Commonwealth of The Bahamas and is authorized by law to maintain official records setting forth matters that are authorized by law to be reported and recorded or filed;

2. records of the type described below set forth matters that are authorized by law to be reported and recorded or filed, and such matters regularly are recorded or filed by the above-named public authority;

3. my position with the above-named public authority is _____;
(Official title)

4. in my official capacity I have made, or caused to be made, a diligent search of the above-named public authority's records for the records described below; and

5. no such records have been found to exist therein.

Description of documents:

(Signature)

(Date)

(Official Seal or Stamp)